Effect on garment exports due to reduction in duty drawback on cotton ready-made Garments

*233. DR. (SHRIMATI) NAJMA HEPTULLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the reduction in duty drawback on cotton readymade garments and hosiery is likely to adversely affect the garment exports; and

(b) if so, what steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. M. KRISHNA): (a) and (b) The duty drawback rates on cotton ready-made garments have been reduced by about one per cent from the 1st June, 1984. It is too early yet to gauge the effect of this reduction on exports. Representations have been received against reduction of the drawback rates from the trade who have been asked to submit supporting data. On receipt of detailed data the position will be reviewed.

Raising of export target by the Engineering Export Promotion Council

*234. SHRIMATI MONIKA DAS:
SHRI NAND KISHORE BHATT:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Central Government have recently directed the Engineering Export Promotion Council to raise its export target for 1984-85; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR): (a) and (b) The targets for exports by various trades and industries are fixed on the basis of consultations between the representatives or entrepreneurs in the Export Promotion Councils and the Ministry of Commerce. For Engineering Industry, in consultation with the Engineering Export Promotion Council, the export targets have been fixed at the level of Rs. 1500 crores for the year 1984-85. This target of Rs. 1500 crores represents an increase of 28 per cent over the estimated exports performance of Rs. 1170 crores during 1983-84.

Funds provided by the public financial institutions to the corporate sector units for modernisation

*235. SHRI CHATURANAN MISHRA:
SHRI INDRADEEP SINHA:

Will the Minister of FINANCE be pleased to state:

(a) what is the number of corporate sector units which were provided with funds by the public financial institutions or by Government for modernisation and the number of those whose funds remained unutilised till the end of 1983;

(b) what is the total amount of funds provided to such units till the end of 1983; and

(c) what action Government propose to take against those units?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c) Government does not operate any pecific scheme of assistance for exclusively meeting the modernisation requirements of industrial units. Term lending financial institutions, namely, IDBI, IFCI and ICICI have the Soft Loan Scheme (SLS) exclusively for extending assistance for modernisation. As utilisation of assistance is linked with implementation of modernisation scheme by the assisted units, at any point of time there would be a gap between amount of assistance sanctioned and amount of assistance disbursed. However, the entire gap between amounts sanctioned and disbursed cannot be construed as non-utilisation of sanctioned amounts. It would not, therefore, be feasible to indicate the number of units which have not utilised assistance for modernisation. In the circumstances, the question of action by Government against units which have not fully drawn the amount sanctioned to them for modernisation does not arise.

According to information readily available, upto 31st May, 1983, IDBI IFCI and ICICI had sanctioned Rs. 1010.26

crores to 581 units and disbursed Rs. 557.18 crores to 571 units under the Soft Loan Scheme.

Decline in export of iron ore through Paradip Port (Orissa)

*236. SHRI JAGADISH JANI: Will the Minister of COMMERCE be pleased to state:

(a) whether there had been a sharp decline in the export of iron ore through Paradip Port in Orissa during the first three years of the Sixth Plan period; and

(b) if so, what steps have been taken to increase the export of iron ore through Paradip Port?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR): (a) and (b) There has been a decline in the export of iron ore through Paradip Port in Orissa during the first three years of the Sixth Plan period because of the following reasons:—

(1) Recessionary situation being faced by Steel Industry globally resulting in lower demand for iron ore.

(2) In adequate draught at the port to receive large sized vessels resulting in considerable freight demerit and consequent unwillingness of foreign buyers to nominate vessels for this port.

(3)Limitation of iron ore handling and loading facilities at Paradip Port.

(4) Sharp decline in lifting by Rumania of low grade iron ore which is supplied by Orissa Mining Corporation Ltd., from their Daitari Tomka mines located in Cuttack District.

The following steps are being implemented to increase the exports of iron ore through Paradip Port:—

(1) MMTC have been asked to explore new markets for export of iron ore to countries willing to nominate smaller vessels for Paradip Port. MMTC has been able to export about one million tonnes of iron ore through Paradip Port in 1983-84. In 1984-85 also, as a result of MMTC's efforts, South Korea is now likely to take about 5 lakh tonnes, German Democratic Republic 2 lakh tonnes and Japan 5 lakh tonnes, making their projected export for 1984-85 about 1.2 million tonnes.

(2) MMTC has agreed to compensate buyers for higher incidence of freight involved in lifting ore from Paradip by giving discounts in prices.

(3) The possibility and economic viability of two port loading, *i.e.* initial loading at Paradip and uptopping at Madras Port is being examined by MMTC.

(4) Iron Ore handling facilities at Paradip Port have been substantially improved recently at considerable cost.

(5) Night navigation has been introduced to handle vessels during night time.

(6) Government of Orissa in consultation with MMTC are examining the possibility of locating a transhipper-cum-dredger at Paradip Port to augment the loading capacity of the port and to find continuing solution to the problem of siltation.

Tax arrears of top 20 large Industrial houses

*237. SHRI KALYAN ROY:
SHRI M. KALYANA SUNDARAM:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the total tax arrears from the top 20 large industrial houses registered under MRTP Act based on their assets between 1979 to 1983 have reached over Rs. 130 crores, as on 21st December, 1982;

(b) what are the names of these houses and the details of the outstanding amount against each of them;

(c) what are the reasons for not taking any stern action to recover the huge amount of arrears; and